

FLYER

**058A - 99
December 14, 1995**

TO: Chief, HRMS

SUBJ: MRA + 10 and Discontinued Service Retirement (DSR) Update

This flyer transmits Benefits Administration Letter (BAL) Number: 95-109. The BAL provides information concerning the MRA + 10 and DSR provisions. Included are advanced copies of the new material that is in updated Chapters 42 (MRA + 10 Retirement) and 44 (DSR) of the CSRS and FERS Handbook for Personnel and Payroll Offices.

Any questions you may have regarding this flyer may be directed to Barbara Wright at (202) 565-8586, Bruce Ducharme (202) 565-8591, or Rod Meader (202) 565-8588).

Employee Relations Division (058A)
Office of Human Resources Management
VA Central Office-Washington, DC

flmra10/q/barbara 12-12-95/058A

Office of Personnel Management
Retirement and Insurance Group



1920



1954



1959



1986

Benefits Administration Letter

Number: 95-109

Date: December 1, 1995

SUBJECT MRA + 10/DSR UPDATE

Because of agency downsizing activities, recently we have received a number of questions related to MRA + 10 and discontinued service retirement. The attached pages are advance copies of new material that is in updated Chapters 42, MRA + 10 Retirement, and 44, Discontinued Service Retirement, of the CSRS and FERS Handbook for Personnel and Payroll Offices.

The additions to Chapter 43 clarify the entitlements of an employee who, by making a deposit, could have at least 10 years of creditable service. They also clarify that an employee who is entitled to an MRA + 10 benefit (or later becomes entitled to the benefit) is not eligible for severance pay.

The additions to Chapter 44 clarify that, under certain circumstances, an employee who is about to be separated involuntarily who does not yet meet eligibility for a discontinued service annuity may acquire eligibility through a short-term appointment with no break in service.

Please note: When counseling employees who are eligible to elect an MRA + 10 retirement benefit, it is important to remember that it is not essential that they make an immediate decision about the benefit, unless other considerations, such as continuation of health insurance at the employee rate, make an immediate decision necessary. For some employees, particularly those whose annuities would be significantly reduced because of being under age 62, and who are likely to return to the Federal workforce, delaying a decision may be the best course of action.

As long as an individual has not started receiving regular annuity payments for an MRA + 10 annuity, he or she can return to Federal employment as an employee rather than under the reemployed annuitant rules. However, once OPM authorizes the first regular annuity payment, the individual is subject to the reemployed annuitant rules if reemployed by a Federal agency. (See the information on postponing an annuity in Chapter 42.)

Mary M. Sugar, Chief
Agency Services Division

Attachments